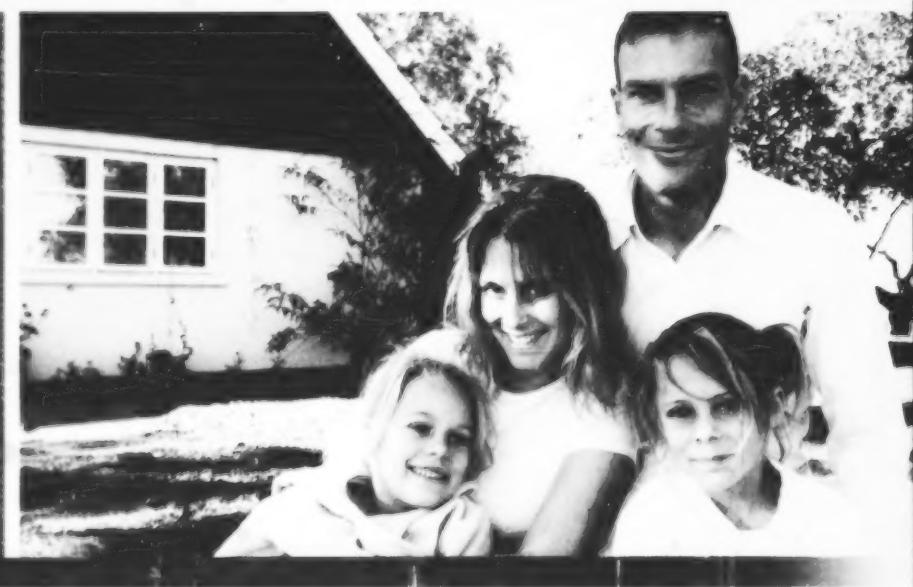


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THE ALBERTA
AFFORDABLE
HOUSING TASK FORCE



DISCUSSION GUIDE

Alberta





HOMELESSNESS AND AFFORDABLE HOUSING IN ALBERTA

A safe, affordable home is essential for people to have a fair chance at dignity, good health and a productive life.

Alberta is experiencing enormous prosperity and economic growth. With this comes many pressures, including an increase in homelessness and a serious shortage of adequate and affordable housing.

Lack of an affordable home or a safe shelter can be a root cause of homelessness for some people, a factor in whether or not a skilled worker decides to stay in Alberta, or a major hurdle for first-time home buyers.

A lot is being done to address these issues in communities across Alberta – but there is more to do.

That's why you are invited to share your ideas with the Alberta Affordable Housing Task Force. We ask you to take the time to read this information, tell us what you think the issues are – but more importantly, tell us what solutions you think will work.

THE ALBERTA AFFORDABLE HOUSING TASK FORCE

The Government of Alberta has appointed the Alberta Affordable Housing Task Force to find innovative and practical ways to make affordable housing more accessible and available to Albertans. The task force will focus on solutions for homelessness and affordable housing, including subsidized rental and home ownership.

This task force brings together representatives from municipalities, business, community leaders, industry associations, political parties, and the non-profit sector to provide a broad base of expertise and knowledge in housing matters.

Chaired by Len Webber, MLA for Calgary-Foothills, the task force will travel to nine Alberta communities in February to meet with key stakeholder organizations and individual Albertans. A final report outlining effective solutions will be presented to the Minister of Municipal Affairs and Housing in March, 2007.

"The Alberta Affordable Housing Task Force was established at the request of the Premier and reflects the priority this government places on affordable housing," said Ray Damyluk, Minister of Municipal Affairs and Housing. "I have asked for a report with solutions that are realistic and cost effective, that provide short and long-term solutions to both homelessness and affordable housing - and that will have a positive impact on Alberta's competitiveness, and on the lives of Albertans."

The task force will hold community meetings in Grande Prairie, Fort McMurray, Edmonton, Red Deer, Hinton, Elk Point, Medicine Hat, Lethbridge and Calgary from February 16 to 28, 2007.



THE ISSUES ARE COMPLEX >>

Many Albertans face homelessness and the challenges of finding a place to call home.

Factors affecting homelessness:

- Economic recessions
- Social needs
- Personal circumstances (addictions, homelessness, mental health issues)
- Economic opportunities (jobs, education, or providers not equipped with sufficient resources)
- The supply of shelter beds and housing in the community, and the cost of the services and items
- Displacement of existing people in their prime neighbourhoods by employers
- Affordable rental rates

Factors affecting affordable housing:

- Demographic changes and trends
- The available supply of rental and owned (with family, business or individual) units
- The availability of land for income-generating activities
- Economics of rental rates (vacancies)
- Local economies and taxation
- Cost of building, driven by raw materials, labour and the cost of labour, and land
- The supply of affordable housing units available for those on fixed incomes of low-income families
- Affordability rates, such as income, property and地租
- Personalized legislation
- Non-affordable regulations, such as building and

In order to develop a sustainable solution to homelessness and housing, the range of solutions will have to explore both the market and non-market sectors, including business, which can play an important role in developing and implementing affordable, market-based, sustainable housing solutions.



"The Alberta Affordable Housing Task Force was established at the request of the Premier and reflects the priority this government places on affordable housing," said Ray Daniels, Minister of Municipal Affairs and Housing. "I have asked for a report with solutions that are realistic and cost effective, that provide short and long-term solutions to both homelessness and affordable housing - and that will have a positive impact on Alberta's competitiveness, and on the lives of Albertans."

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THE ISSUES ARE COMPLEX >>

Many inter-related factors affect homelessness and the supply of affordable housing. To name just a few:

Factors affecting homelessness:

- Poverty and social isolation
- Social attitudes
- Personal crisis, mental health and addictions
- Financial supports to those on fixed incomes or social or disability allowances
- Community supports - ensuring the right services are provided and supported in the right ways
- The supply of shelter beds and emergency shelters - and access for those who need them
- Displacement of low-income people as older, poorer neighbourhoods revitalize
- More transient workers

Factors affecting affordable housing:

- Demographic changes and trends
- The available supply of rental units and single-family homes in each local market
- The availability of land for housing in communities
- Conversions of rental units to condos
- Local vacancy and rental rates
- Costs of building, driven by interest rates, land costs and the supply of labour and trades
- The supply of subsidized housing units available for those on fixed incomes or social or disability allowances
- Municipal issues such as zoning, permits and densities
- Provincial legislation
- Neighbourhoods that say "not in my back yard"

In order to develop solutions, we need to look at how these factors impact each other across the range (or continuum) of housing options and solutions - from shelters for the homeless to transitional housing where people get the supports they need - to subsidized rental options - to affordable market rental - to affordable home ownership.





HERE IS JUST A SNAPSHOT OF WHAT ALBERTA IS FACING

The Pressures of the Fastest Growing Economy in Canada

- Alberta's economy grew by an average of 4.5% in 2005, 5.6% in 2006, and is projected to grow at 4.5% in 2007. (Source - Alberta Economic Development) From 1995 to 2005, Alberta's population grew by 19.9% - twice the rate of the rest of Canada.
- The Government of Alberta's 10-year work force strategy, Building and Educating Tomorrow's Workforce found that Alberta needs 86,000 workers in all sectors today.
- Many communities across the province are trying to manage major population increases. For example, Wood Buffalo is projected to increase its population from 56,111 (June 2004 census figures) to 80,000 people by 2010, with an additional 7,000 to 10,000 people living in construction camps. Calgary currently sees 97 new people arrive each day, and Red Deer is growing at a rate close to the size of the town of Lacombe each year.

The Need to Plan and Act Now for the Future

Alberta must be planning and managing for future growth and other social changes now. Here are just some examples of trends today that will continue to drive housing needs:

- The number of First Nations people, and other Aboriginal people, moving into towns and cities in Alberta continues to increase in response to conditions in their communities and on many reserves. These Albertans also need affordable housing and supports.
- If our economic growth continues to 2025, Alberta could face a shortfall of 332,000 workers. Many of these workers will come from other countries and cultures and they too will need housing and supports.
- It is estimated that between 2005 and 2016, the numbers of seniors will increase by approximately 165,000. By 2031, about one in five Albertans will be seniors. (Source: Statistics Canada and Seniors and Community Supports)



Homelessness

- Alberta's homeless population is growing. Calgary's 2006 count of homeless persons revealed a 32% increase over the last two years (in 2006, the number of homeless people in Calgary reached 3,436). During the same time period, Edmonton showed an increase of 19% (in 2006, there were 2,200 homeless in Edmonton), while Fort McMurray's homeless population increased by 24% in the same two-year period.
- Smaller urban centres also have growing homeless populations. For example, in Grande Prairie, an estimated 1,100 people are homeless, the majority being men between 18 and 24 years.
- Alberta had approximately 2,500 homeless shelter spaces in 2006. The number of homeless Albertans has grown and there are often not enough shelter spaces available.

Subsidized Housing

- The effects of the lack of affordable housing are felt most acutely by Albertans who live on fixed incomes such as pensions, those that receive assistance from the government or earn a lower income.
- Wait lists to access social housing have grown and will continue to grow. In 2006, about 6,600 people were waiting for subsidized housing across all programs.
- The total number of subsidized housing units (for family housing, rent supplement and special needs housing) has remained fairly constant over the past five years at about 17,000 units in the seven major centres in Alberta and rural communities.
- In 2006, there were a total of 20,248 seniors in subsidized housing.

Affordable Rental Units

- Overall rental rates across the province have increased since 2003, with the largest increases in one-bedroom units. Average rents increased in all of Alberta's 13 major urban centres. For example, between 2005 and 2006, rental rates for a two-bedroom unit in Edmonton increased from \$732 to \$810. In Grande Prairie, the same size unit increased from \$797 to \$965, while in Wood Buffalo, it increased from \$1,478 to \$1,717.
- Rental units are being converted to condominium units in most of Alberta's major centres.

THE EXCEPTIONAL GROWTH AND
ASSOCIATED PRESSURES IN ALBERTA HAVE
XCEEDED
THE CAPACITY TO MEET GROWING HOUSING NEEDS

- Vacancy rates in rural Alberta have decreased dramatically since 2005, with the biggest decrease in two-bedroom units in northern Alberta. The overall vacancy rate in rural Alberta in 2006 was 1.4%, a reported ten-year low.
- The apartment vacancy rate in Alberta's cities with 10,000 or more people declined from 3.1% in September 2005 to 0.9% in September 2006. Calgary's vacancy rate is projected to drop to 0.6% this year and stay that way through 2007, the lowest rate in Canada. Edmonton's vacancy rate is expected to be at 1.5% this year and 1% next year.

Affordable Home Ownership

- Although housing starts in Alberta totalled 40,487 in 2005, a 27-year high, a recent release of the new Housing Price Index for Alberta showed a 41% increase in the cost of building a home compared to the previous year. Many of these increases can be attributed to Alberta's tight labour market.
- Alberta's per capita income for 2007 is expected to reach \$44,788 per year compared with the national average forecast of \$34,757 per year. At the same time, the cost of living in Alberta's cities and regional centres is rising.
- Homeowners in Alberta in 2001 paid less than 30% of their annual income on housing. However, since then, Alberta's housing prices and cost of living have increased radically.
- The Consumer Price Index (CPI) is a way of measuring changes in consumer prices across Canada. In 2006, the national CPI increase was about 2%. In Alberta, it was about 3.8%. In Alberta, housing replacement costs soared 43% in December 2006 – pushing up the CPI nationally.

CURRENT SUPPORT FOR AFFORDABLE HOUSING IN ALBERTA

The Government of Alberta has a number of programs and initiatives in place to address ongoing demand for homeless shelter beds, affordable housing and seniors housing, administered through the departments of Municipal Affairs and Housing and Seniors and Community Supports. The exceptional growth and associated pressures in Alberta, though, have exceeded the capacity to meet growing housing needs.

Visit www.seniors.gov.ab.ca/housing/index.asp for the inventory of Alberta's Affordable Housing Supports and www.servicecanada.gc.ca/en/subjects/housing/index.shtml or www.cmhc-schl.gc.ca/en/co/prfmas/index.cfm for a summary of federal housing programs available across Alberta.

WAYS TO GIVE YOUR INPUT

Individuals and groups can get more information on the Alberta Affordable Housing Task Force and its activities on the Municipal Affairs and Housing website at www.municipalaffairs.gov.ab.ca

You can submit a completed *Discussion Framework* to the task force by faxing (780) 422-4923, emailing affordable_housing@gov.ab.ca or mailing to Municipal Affairs and Housing, Secretariat/Affordable Housing Task Force, 18th floor, 10155-102 Street, Edmonton, Alberta T5J 4L4.

You can also attend community meetings of the task force at the following locations/dates:

Grande Prairie

Date: February 16, 2007

Time: 1:00 – 3:00 p.m.

Where: The Grande Prairie Inn

Address: 11653 Clairmont Road

Fort McMurray

Date: February 20, 2007

Time: 1:00 – 3:00 p.m.

Where: Quality Hotel and Conference Centre

Address: 424 Gregoire Drive

Edmonton

Date: February 21, 2007

Time: 1:00 – 3:00 p.m. and 7:00 – 9:00 p.m.

Where: Ramada Hotel & Conference Centre

Address: 11834 Kingsway Avenue

Red Deer

Date: February 22, 2007

Time: 1:00 – 3:00 p.m.

Where: Red Deer Lodge Hotel & Conference Centre

Address: 4511 – 49 Avenue

Hinton

Date: February 23, 2007

Time: 9:00 – 11:30 a.m.

Where: Hinton Centre

Address: 965 Switzer Drive

Elk Point

Date: February 23, 2007
Time: 7:00 - 4:30 p.m.
Where: Seniors Recreation Centre
Address: 5018 - 48 Street (on the highway)

Medicine Hat

Date: February 26, 2007
Time: 1:00 - 3:00 p.m.
Where: Medicine Hat Lodge
Address: 1051 Glen Drive Southeast

Lethbridge

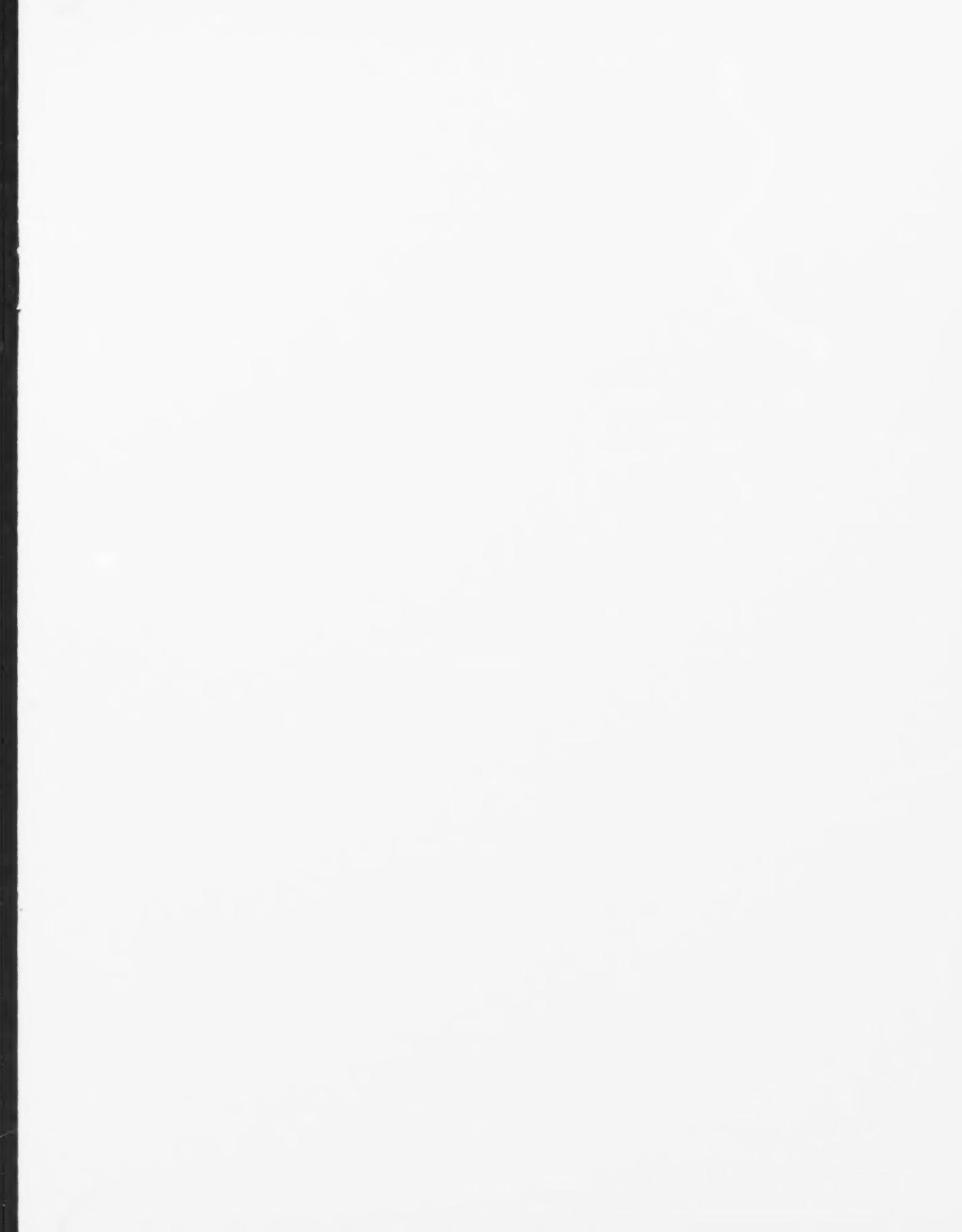
Date: February 27, 2007
Time: 1:00 - 3:00 p.m.
Where: Lethbridge Lodge Hotel and Conference Centre
Address: 520 Scenic Drive South

Calgary

Date: February 28, 2007
Time: 1:00 - 3:00 p.m. and 7:00 - 9:00 p.m.
Where: University of Calgary, MacEwan Conference Centre
Address: Hall B, 2500 University Drive Northwest

Submissions of the Affordable Housing Discussion Framework will be accepted until February 28, 2007 (4:30 p.m.)





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ALBERTA AFFORDABLE HOUSING TASK FORCE

Municipal Affairs and Housing
c/o Secretariat/Affordable Housing Task Force
18th Floor, Commerce Place
10155 - 102 Street
Edmonton, Alberta T5J 4L4

Phone: (780) 427-4232

Fax: (780) 422-4923

Website: www.municipalaffairs.gov.ab.ca

For additional copies of this discussion guide please call (780) 427-4232,
dial 310 0000 for toll-free access.

Please return your response by February 28, 2007 (4:30 p.m.)